

Department of Energy Resources to Make Paper Mills More Energy Efficient

"Paper Industry Energy Symposium"

Lakes States TAPPI meeting

Appleton, Wisconsin

March 15, 2005

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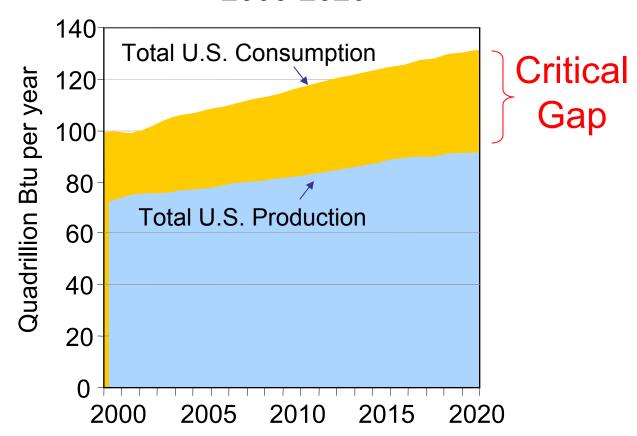
Overview

- Big Picture of US Energy Situation
- DOE Industrial Technologies Program Strategy
- Industrial Energy Efficiency Opportunity
- DOE Resources to Tap Into
- Future Directions in Forest Products Industry Outreach

Big Picture of US Energy Situation

Projected Energy Use

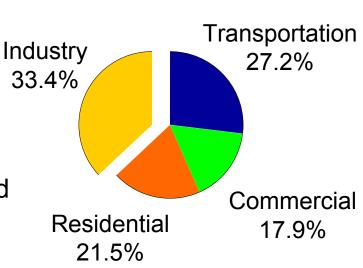
Total U.S. Energy Production vs. Consumption, 2000-2020



Industry: Critical to National Energy Policy

- Uses more energy than any other single sector; >1/3 of U.S.
 energy consumption
- Produces approximately 30% of U.S.
 greenhouse gas emissions
- Accounts for more than 35% of U.S. natural gas demand
- Accounts for 28% of U.S. electricity demand
- Energy is key to economic growth in domestic manufacturing
- "Many companies have been unable to pass higher energy costs on to their customers, which has sharply reduced their profit margins" National Energy Policy, pages 2-4

2002 Energy Use



Heavy Energy Use in Process Industries*

3.9 Quads

Natural

Resource

Industries

Raw Materials

Extraction 6.5 Quads

Oil & Gas **Feedstocks**

Mining

Forestry

Farming

Oil & Gas

Extraction

25.5 Quads**

Industries

Commodity **Products** Process & **Materials**

Chemicals

Paper & Wood (4.0)

Metals

Non Metallic

Petroleum Refining

Food Processing

Fabrication & Assembly Industries

Retail Markets

Plastics

Fabricated Metal Products

Transportation Equipment

Machinery

Computer & Electronic

Products

Electrical Equipment

Printing

Construction

^{5.9} Quads

^{* 1998} estimates based primarily on MECS and AER data Includes electricity generation, transmission, and distribution losses

^{**} Includes 6.5 Q oil & gas feedstocks

DOE Industrial Technologies Program Strategy

Industrial Technologies Program



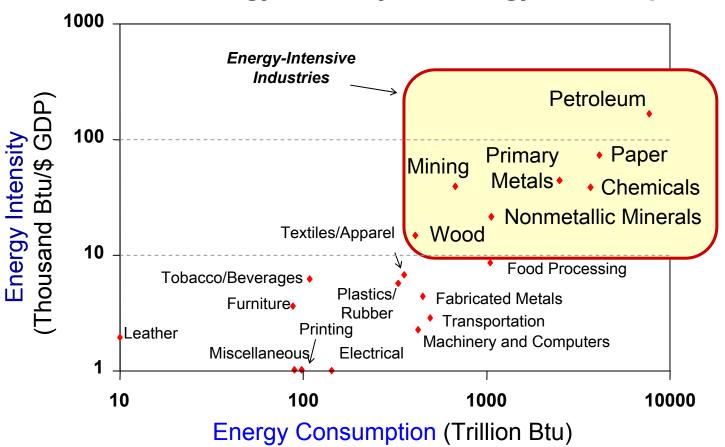
Improve the energy efficiency of U.S. industry through coordinated **research and development**, **validation**, **and dissemination** of innovative technologies and practices.

Partner with industry and other stakeholders to

- Save energy
- Improve productivity
- Reduce reliance on foreign oil
- Reduce environmental impacts

Focus: Major Energy-Intensive Industries

Industrial Energy Intensity vs. Energy Consumption



Sources: EIA 2001, 1998 Manufacturing Energy Consumption Survey; U.S. DOE 2002, Energy and Environmental Profile of the U.S. Mining Industry

Delivering Technology Solutions

Collaborative R&D



- Energy-intensive
 Process Technologies
- Crosscutting Technologies



Partnerships

Technology Delivery



- Assessments
- Training & Tools
- Technology Demonstrations

Industrial Energy Efficiency Opportunity

Plant-Wide Assessments

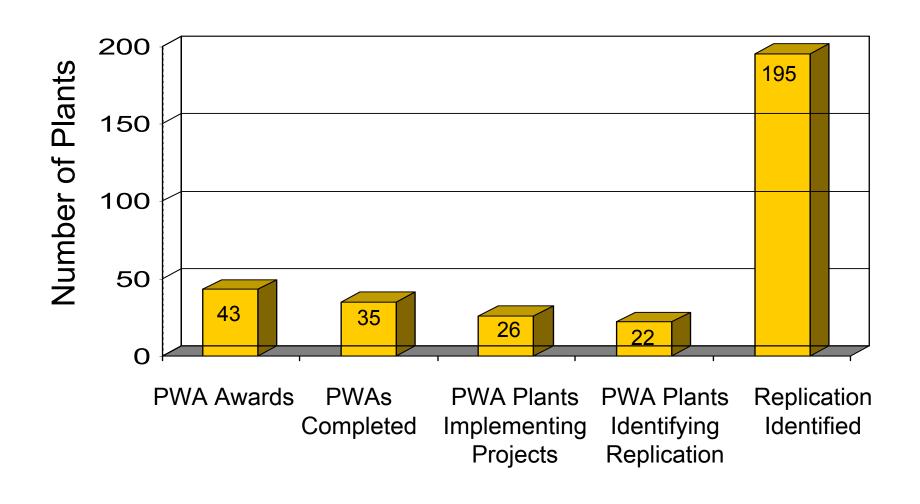
Cost-shared assessments to identify opportunities for energy and cost savings:

- Up to \$100,000 competitively awarded through an open solicitation process
- Summary case study published to promote replication
- Proprietary Information fully protected

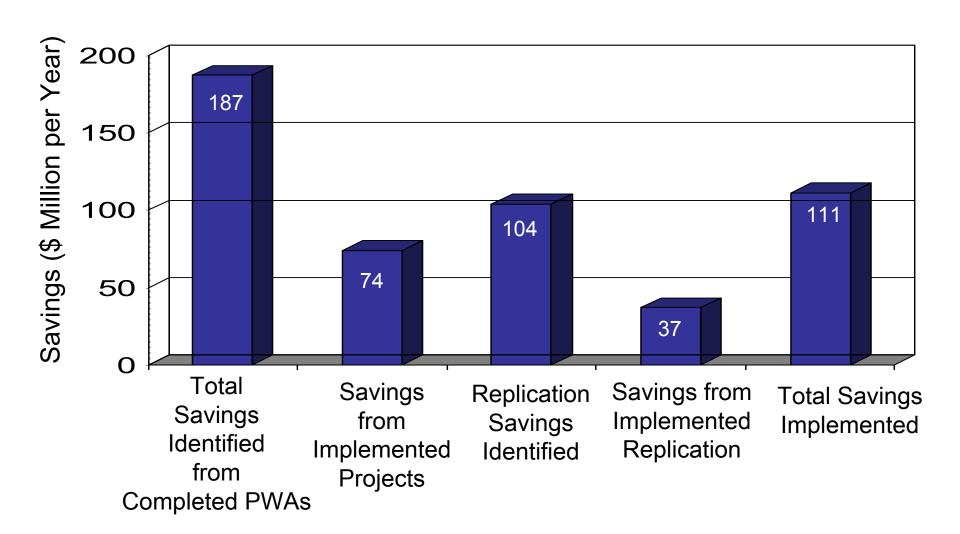


See www.oit.doe.gov/bestpractices/plant_wide_assessments.shtml

PWA Activities Through FY04



PWA Savings Through FY04



Forest Products Case Studies

| Plant | Location | Annual Savings Identified in PWA | Case Study Web Address |
|-------------------------|----------------------------|----------------------------------|---|
| Appleton Papers, Inc | West Carrollton, OH | \$3.5 million | www.oit.doe.gov/bestpractic es/factsheets/newapple.pdf |
| Augusta Newsprint | Augusta, GA | \$1.6 million | http://www.oit.doe.gov/bestp ractices/factsheets/fp_cs_au gusta_newsprint.pdf |
| Blue Heron | Oregon City, OR | \$2.9 million | www.oit.doe.gov/bestpractic es/factsheets/fp_cs_blue_he ron.pdf |
| Boise Cascade | International Falls, MN | \$707,000 | www.oit.doe.gov/bestpractic es/factsheets/boise.pdf |
| Caraustar | Rittman, OH | \$1.2 million | www.oit.doe.gov/bestpractic es/factsheets/caraustar.pdf |

Forest Products Case Studies (cont.)

| Plant | Location | Annual Savings Identified in PWA | Case Study Web Address |
|----------------------|-----------------|----------------------------------|---|
| Georgia-Pacific | Palatka, FL | \$2.9 million | www.oit.doe.gov/bestpractices /factsheets/fp_cs_georgia_pac ific.pdf |
| Georgia-Pacific | Crossett, AK | \$9.6 million | www.oit.doe.gov/bestpractices /factsheets/fp_cs_georgia_pac ific_crossett.pdf |
| Inland Paperboard | Rome, GA | \$9.5 million | www.oit.doe.gov/bestpractices /factsheets/inlandpaper.pdf |
| Weyerhaeuser | New Bern, NC | \$2.9 million | Case study not complete |
| Weyerhaeuser | Longview, WA | \$3.1 million | www.oit.doe.gov/bestpractices /factsheets/fp_cs_weyerhaeus er.pdf |

Targeted Assessment Results

| Summary of Results Through FY 03 | | | | | | |
|----------------------------------|-----|-------------------------------------|------------------------------|--|--|--|
| System | No. | Annual Identified Energy Savings | | | | |
| | | Medium | Range | | | |
| Pumps | 23 | \$148,000 | \$13,000 - \$2.0 Million | | | |
| Process Heating | 13 | \$1,207,00 0 | \$170,000 - \$2.1 Million | | | |
| Steam | 15 | \$225,000 | 0 – 1.6 Million | | | |
| Compressed Air | 18 | \$145,000 | \$12,000 - \$270,000 | | | |
| Insulation | 5 | \$540,000 | \$13,000 – 1.1 Million | | | |
| Total | 84 | | | | | |

DOE Resources To Tap Into

Tools Available on Our Web Site or via Links

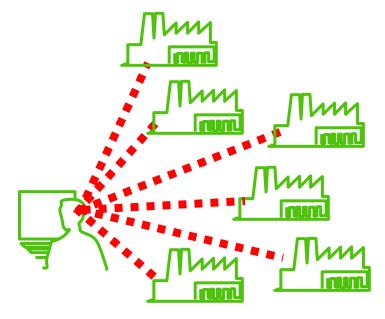
- Motor Master + Assists in energy-efficient motor selection and management.
- Pumping System Assessment Tool Assesses the efficiency of pumping system operations.
- Steam System Scoping Tool
 Profiles and grades large steam system operations and management.
- Steam System Assessment
 Tool Assesses potential
 benefits of specific steam-system
 improvements.

- Air Master+ Provides comprehensive information on assessing compressed air systems.
- 3EPlus Insulation Assessment
 Tool Calculates most economical thickness of insulation for a variety of operating conditions.
- ASDMaster Determines economic feasibility of an ASD application.
- Process Heating Assessment and Survey Tool Assesses energy use in furnaces and identifies ways to improve performance.

Qualified Specialists

DOE and its Allied Partners certify Qualified Specialists to apply energy management decision tools at industrial facilities to analyze:

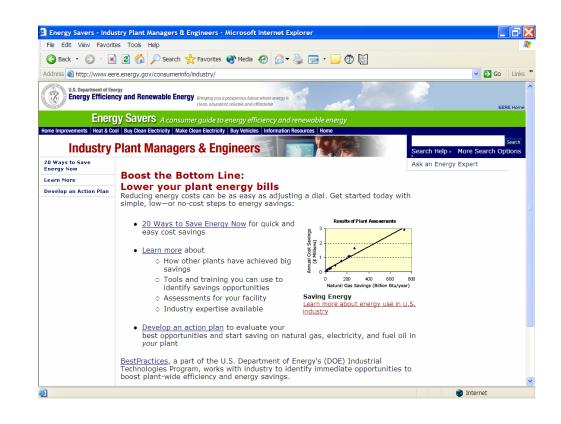
- Compressed Air Systems
- Pump Systems
- Steam Systems
- Process Heating Systems
- Fan Systems (2004)



Each new qualified specialist contributes to increased energy and cost savings

Industrial Energy Savers Website

- 20 Best Ways to Save Energy Now
- Learn How Others Have Saved
- Develop an Action Plan
- Access the National IAC Database



Possible Action Steps

- Call the Information Center for information and ideas
- Visit websites for tips, information, what others are doing:
 - www.eere.energy.gov/bestpratices
 - www.energysavers.gov/industry
- Send plant personnel to take training
- Encourage plant personnel to become qualified specialists in DOE software tools
- Contract with a qualified specialist to assess energy savings opportunities
- Submit application to DOE for a plant-wide assessment
- Replicate results/methodologies from other plant-wide assessments
- Request an Industrial Assessment Center audit

American Forest & Paper Association (AF&PA) and DOE Outreach Campaign

- Formed Energy Efficiency committee composed of paper company Energy Managers
- Will develop outreach strategy to all levels of paper company employees – CEO to mill staff
- To be introduced to decision makers at Paper Week in April
- Energy Efficiency Workshop being planned for Fall 2005

Resources for Your Plant and Company

- Energy analysis software tools
- Case studies and information
- Energy efficiency training for plant staff
- Qualified specialists
- DOE-supported energy assessments

Call: 877-337-3463

Websites: www.eere.energy.gov/bestpractices

www.energysavers.gov/industry

Inland (Paperboard & Packaging)

31 energy-saving opportunities identified including:

- Replace two existing mechanical drive steam turbines on No. 2 paper machine with variable speed motor drives
- Reduce water and steam use at paper machine and support systems
- Rebalance steam distribution system

Inland Results

\$9.5 M/yr cost savings

Energy savings

21,600,000 kWh/yr

2,900 MMBtu/yr

6-month payback

\$4.5 M initial capital requirement

- Reduced air emissions
- Decreased water, steam, and electricity usage

Caraustar (Recycled Paperboard)

Several steam and motor projects identified at the Rittman, OH plant:

- Motor procurement and efficiency improvements
- Backpressure steam turbine generators
- Boiler feed pump VSDs
- Stack heat recovery to vapor absorption systems
- Pulper fill-water heat exchangers
- Steam pipe insulation

Caraustar Results

\$1.2 M/yr cost savings 11,000,000 kWh/yr energy savings 4-month to 2.5-year payback \$3 M initial capital requirement

- Reduced air emissions
- Corporate procurement program developed for purchase of power transmission and electrical equipment from a single source

Boise Cascade (Pulp & Paper)

Assessment identified four projects and two process modifications at International Falls, MN, mill:

- Conserve base mill water
- Reroute turbine room steam trap condensate
- Use foul condensate heat for demineralized water makeup to hotwells
- Modify selected processes to decrease effluent flow and energy consumption

Boise Cascade Results

\$707,000/yr cost savings

Energy savings:

2,650,000 kWh/yr

2,300 MMBtu/yr

3-year payback

\$2.1 M initial capital requirement

- Reduce heat load by 45 million Btu/hr
- Reduce steam use by 28,100 lb/hr
- Reduce effluent flow by 2.2 mgd

Appleton Papers (Pulp & Paper)

Assessment identified 21 projects at West Carrollton, OH mill:

- Recover heat from paper machine vents
- Recover fiber from low-consistency screen rejects
- Install oxygen and carbon monoxide monitoring equipment to control boiler combustion
- Reuse uhle-box water
- Reduce silo temperatures
- Add a fluidized bed boiler

Appleton Papers Results

\$3.5 M/yr cost savings
Energy savings:
 4,800,000 kWh/yr
 150,000 MMBtu/yr
Payback period of ~1.2 years/project
\$2.5 M initial capital requirement

- Decreased waste disposal costs
- Increased paper production
- A project to install a fluidized-bed boiler would result in another \$2.6 M/yr savings

Georgia Pacific (Kraft and Tissue)

Assessment identified two water reduction projects and eight heat recovery projects at Palatka, FL, to save steam and natural gas, including:

- Demineralized water heating
- CIO2 filtrate heating
- CIO2 heating
- TPM combustion air preheating
- Alternative to Project 12
- White water heating
- Vapor take-off
- Reflux condenser rework

Georgia Pacific Results

\$2.9 M/yr cost savings

729,000 MMBtu/yr energy savings

2.5-yr payback

\$7.7 M project capital cost

- Reduce water use by 2,100 gpm
- Cogeneration opportunities also identified

Weyerhaeuser (Pulp & Paper, Newsprint)

Assessment identified process configuration changes and heat recovery projects at Longview mills:

- Improvements concentrated in fiber line washing efficiency and evaporation plant steam economy
- Cogeneration opportunities also identified

Weyerhaeuser Results

Cost savings: \$3.1 million

Energy savings: 1,800,000 MMBtu

Initial capital requirement: \$5 - 11 million

Reduce water consumption by 3,600 gpm

Blue Heron (Pulp & Paper, Newsprint)

Assessment identified process configuration changes and heat recovery projects:

- Close vacuum pump seal water loop and heat shower water
- Recover heat from vacuum pumps, Uhle boxes, and TMP wastewater
- Heat shower water with reboiler steam and vacuum pump seal water

Blue Heron Results

Cost savings: \$2.9 million

Steam savings: 500,000 MMBtu

Initial capital requirement: \$6.3 million

- Reduced heat load in effluent
- Reduced environmental emissions